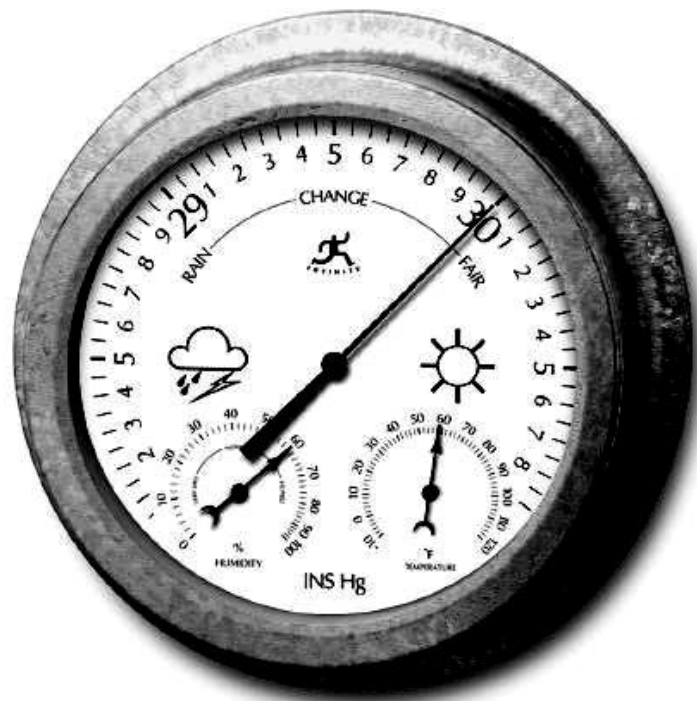


Utah!

Travel Barometer

Research & Planning Newsletter

Division of Travel Development,
Utah's Travel Council Summer, 2002



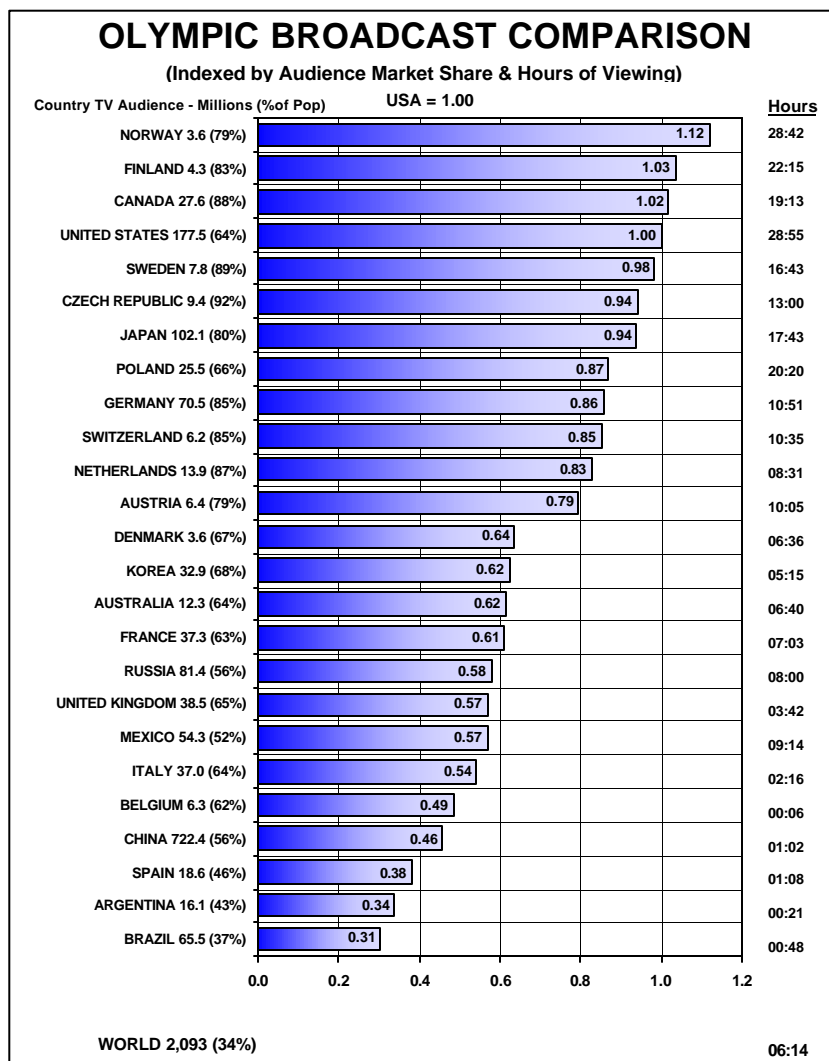
Unprecedented Marketing Success of the 2002 Olympic Winter Games

By Jon Kemp, Research Coordinator

The Salt Lake 2002 marketing effort was the most successful in the history of the Olympic Winter Games. The 2002 Olympic Winter Games established marketing-related records in the areas of broadcast, ticketing and sponsorship:

- 2.1 billion viewers in 160 countries and territories amassed 13.1 billion viewer hours (on average, each viewer watched over 6 hours of Olympic coverage)
- More than 1.525 million tickets were sold, representing 95% of the available tickets
- The OPUS local sponsorship program generated a total of \$876 million for the Salt Lake Organizing Committee and the U.S. Olympic Committee

Continued on Pg. 2



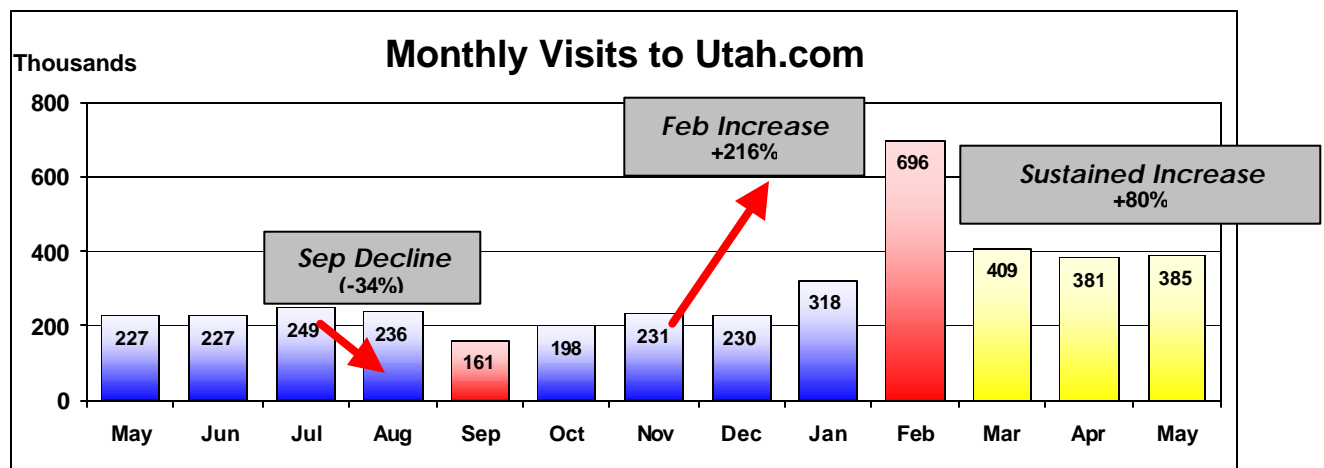
SOURCE: Global Television Report, IOC,
July 2002
Index adapted by Utah Division of
Travel Development

In addition to the broadcast and editorial coverage the state received during the 2002 Olympic Winter Games, the Utah Division of Travel Development utilized television advertising in strategic markets during the final week of the Games and around the Academy Awards in the month following the Games. Initial advertising reached over 6 million people in key California markets. Follow-up advertising reached an additional 7.6 million people in markets throughout the Western U.S.

UTC Targeted Television Markets



One measurement of the improved visibility the state has received during and following the Olympics has been the sustained increase in visitation to the Division of Travel Development's consumer website, Utah.com. During February, the number of visitors to the site increased by over 200% to nearly 700,000 visitors (compared to a typical month of 220,000). Since the conclusion of the Games, interest has remained high. The number of visitors to the Utah.com website has remained at approximately 400,000, nearly 80% above its pre-Games level.



SOURCE: utah.com



Research Update to the 1000-Day Plan "One Thousand Days of Progress"

By Jon Kemp, Research Coordinator

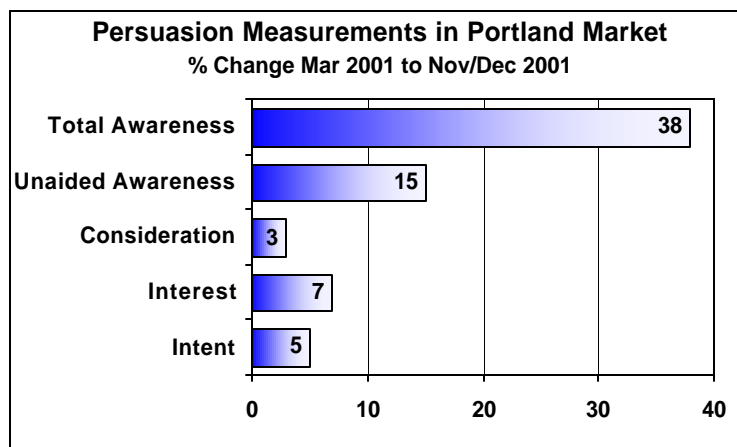
Research is one of the four components in the Division of Travel Development's 1000-Day Plan to maximize the impact of the 2002 Olympic Winter Games on Utah tourism. The primary objectives of the research component are: 1) Explore the dynamics of consumer awareness and image regarding Utah for improved targeting and messaging and 2) Probe consumer awareness for impressions of the Olympics that can be recalled in future messages. To date, three projects have been completed:

Continued on Pg. 3

2001 Advertising Impact Study: Identify effectiveness of 2001 *Utah!* advertising campaign in selected markets
Domestic Awareness & Image Study: Obtain pre- and post-Games awareness and image measurements in the U.S. market

Post-Olympic Qualitative Research: Explore and assess the attitudes, perceptions and feelings regarding Utah, the 2002 Olympic Winter Games and Olympic memories and test various post-Olympic advertising concepts. The **2001 Advertising Effectiveness Report** documented the changes in five persuasion measurements in selected markets each month from March 2001 through December 2001. Encouraging results were documented in all markets: an overall increase in awareness of Utah advertising. As a result of some additional funding received by the Division, television advertising was conducted in Portland and San Francisco in November 2001 to complement the usual mix of radio and magazine advertising. As one of the test markets, the results from the Portland television campaign were extraordinary. Measurements in each of the five persuasion elements increased significantly:

- Total Awareness of Utah advertising – increased 38 percentage points
- Unaided Awareness of Utah advertising – increased 15 percentage points
- Consideration of Utah as a vacation destination – increased 3 percentage points
- Interest in visiting Utah – increased 7 percentage points
- Intent to visit Utah in the near future – increased 5 percentage points



SOURCE: D.K. Shifflet & Associates, Inc.

The persuasion increases in the Portland market are even more dramatic considering the backdrop of economic and security concerns and an overall downturn in the effectiveness of travel advertising following September 11th. Indeed, whereas Utah's persuasion measurements in Portland increased during the year, persuasion measurements from other destination advertisers remained unchanged or decreased during the year.

The successful result of the Portland campaign suggests that Utah should continue to conduct targeted television advertising and possibly expand such advertising to other nearby feeder markets. The Portland television campaign was made possible through a one-time legislative appropriation to leverage Olympic-related exposure. Despite the intriguing success of the Portland campaign, future targeted television advertising is dependent upon adequate funding levels.

The second research project of the 1000-Day Plan was to measure the impact of the Olympic Winter Games on Utah's image in the U.S. To evaluate the changes in Utah's image, a pre-Olympic study was commissioned in November 2001 and a post-Olympic study was conducted in March 2002. The results from the **Domestic Awareness and Image Study** revealed five main conclusions:

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- Utah's image improved slightly as a result of the 2002 Olympic Winter Games
- Approximately 38% of Olympic viewers reported learning new positive things about Utah as a result of the Olympics
- Roughly 7.1 million more adults say they are likely to vacation in Utah than before the 2002 Games
- Utah is more recognized today for its scenic beauty, mountains, winter sports, ski resorts, cleanliness and friendly people after exposure through the Games
- Despite some gains in awareness, the overwhelming reason for a negative perception of Utah remains unfamiliarity

Based on the results, three action items were recommended:

1. Continue to leverage Utah's winter sports and outdoor recreation opportunities seen during the Olympics
2. Reinforce a higher informed awareness of Utah – image today is defined by religion, proximity, and winter sports (Olympics)
3. Broaden the year-round perception of escape to include Utah's beautiful scenery:
STENGTHS – Winter sports
EXPAND STRENGTHS – National parks, outdoor recreation, cultural & historical sites, small towns and resorts
OPPORTUNITIES – Build on improved perception of access; cost issues

The third element of the research program's 1000-day plan was the **Post-Olympic Qualitative Research**. Mini groups were convened in Dallas and Los Angeles among consumers who fit the preferred advertising target (adults between 25 and 54 with household incomes above \$75,000 who have never traveled to Utah but who watched the Olympics). Approximately 20 interviews were conducted in each market in late June and early July 2002.

During the interviews, respondents were asked to associate descriptive characteristics with various Olympic cities including Salt Lake City, Lillehammer, Calgary, Lake Placid, Nagano, Sydney, Atlanta and Seoul. The results indicated the unique qualities associated with Salt Lake City relative to other Olympic host cities. The top characteristics associated with Salt Lake City were:

Compared to similar lists from other Olympic host cities, Salt Lake City's unique strengths were:

- **Friendliness** (of volunteers and people)
- **Success** (of U.S. athletes and of the Games themselves)
- **Emotion** (Post September 11th healing for the world, patriotism, athlete stories)

However, the research also indicated that other Olympic host cities are more often associated with "lots to see and do," suggesting a need for continued education among consumers about the variety of activities available in Utah.

	DALLAS	LOS ANGELES
	Friendly	Known
	Emotional	Friendly
	Beautiful	Familiar
	Familiar	Exciting
	Successful	Emotional

The second part of the interviews tested three different television advertising concepts for understanding, uniqueness, relevance, importance, believability, likeability and targeting. All three concepts tested above average. Despite the above-average performance of all three concepts, the results will allow the Division to allocate resources more effectively and efficiently to the concepts that will likely have the greatest impact. The key criteria in prioritizing the advertising concepts include an appropriate Olympic tie-in, a strong year-round message and high marks in uniqueness, relevance and likeability. In addition to helping to prioritize the concepts, the results of the test will also be used to help the creative team refine the concepts to achieve the maximum impact.



Finding Definition through the Planning Process

By Shari Kille

A planning specialist with the Utah Department of Community & Economic Development

There is a basic structure for strategic planning, which I believe can dramatically simplify the process.

Essentially, a strategic plan is a way to prioritize and focus resources on critical issues. The process is one of working from the “big picture” down to the tasks that have to be accomplished. Further, the process provides measures to keep a group on task, to keep them from becoming overwhelmed by what’s urgent, as opposed to what’s important, and to be used in evaluating the use of resources like people, money, space, etc. Individual performance plans are a natural outgrowth of an overall strategic plan. One Caution: Flexibility is critical to the success of a strategic Plan. This is not a “Trip Tic” map that takes a group from one place to another in perfect sequence. The dialogue between team members surrounds each step in the planning process is at least as valuable as the plan itself. If one person or a small group writes a plan, then it is important for the whole group to have a chance to review and discuss it – everyone needs to be heard. This increases “buy-in” tremendously.

Guiding Principals: Development of GP’s is a healthy step in setting the tone of a group. GP’s answer the question “How are we going to treat each other?” Sometimes guiding principals are determined in a group setting, however I have come to believe that management should set these as an expectation, then have the group discuss what the guiding principals mean from them. From guiding principals, the rest of the steps follow processes from to smaller and smaller focuses.

Vision Statement: This answers the long-term question, “What do we want to be?” It is the description of a preferred future.

Mission or Purpose Statement: This will succinctly answer the issue, “What do we have to do to work toward the Vision?” It will also clearly define “Who is the customer or intended target group?” “What is it we are going to do” and “Why are we doing this – what benefit is it to the customer?”

Objectives: These are critical, major focus areas (generally no more than 3 to 5). They are clear

targets for specific actions. Objectives take the Mission or Purpose statement and break it into manageable chunks. In general, objectives should last at least three years.

Strategies: These are methods to be used to achieve the objectives. “What will we do to make sure the objectives are achieved?” These may change yearly, or even quarterly. As they are accomplished new ones generally crop up to take their place. It is often helpful to think of these as programs, projects, systems or campaigns.

Action Plans: There ought to be one or two for each strategy. These tell what has to be done at a task level to achieve the strategy, who is responsible, and illustrate the timeframe. NOTE: In traditional strategic planning, Tactics and Tasks come after strategies. I believe this becomes cumbersome, so I recommend combining the two into Action Plans.

Outputs: These are the activities that have to take place on a day-by-day basis. Generally, these are things that can be counted like a certain number of phone calls, visits, brochures, mailings, applications, etc.

Outcomes or Performance Targets: These answer the question, “So what?” You’ve done all this work, generated all this activity, what is the impact? Also, it may be confusing, but sometimes “outputs” are also “outcomes”.

Updates: At least once a quarter a team needs to meet and review progress, discuss changes, and bring everyone up to date on what is happening.

Evaluation: Did you hit your anticipated performance targets? CELEBRATE the ones you did! If not, ask two questions, “What did we learn?” and “What will we do differently next time around?”

Report to Management: More Celebration!

At this point the cycle repeats itself. Vision, Purpose and Objectives should last several years, at least. Strategies and Action Plans generally change regularly, at least yearly.



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Return Service Requested

<i>2001 4th Quarter and Year-End Visitor Statistics</i>						
Segments	Oct	Nov	Dec	2001 Final	2000 Final	% Change
S.L. Int'l Airport Passengers	1,365,064	1,373,621	1,502,150	18,914,500	19,900,770	-5.0%
National Park Recreation Visits	408,329	198,664	90,643	4,750,229	5,332,266	-10.9%
Nat'l. Monuments/Recreation Areas	301,741	157,615	63,366	3,848,690	4,029,737	-4.5%
Utah State Parks	372,679	192,803	171,041	6,075,456	6,555,299	-7.3%
Utah Welcome Centers	46,601	27,645	25,399	660,398	731,763	-9.8%
Hotel/Motel Occupancy Rates	53.8%	45.9%	47.4%	59.9%	60.9%	-1.0%